



## CALIFORNIA STRATEGIC SOURCING INITIATIVE

### OFFICES SUPPLIES CONTRACT – FREQUENTLY ASKED QUESTIONS

QUESTIONS	ANSWERS
Why did the State choose to renegotiate directly with the incumbent contractor, Boise/OfficeMax, instead of going out for a formal, competitive bid?	This contract presented an opportunity to reap significant, quick savings for the State. Additionally, the Boise/OfficeMax contract had a considerable amount of time left before it expired. A competitive contract would have taken longer.
What authority did the Department of General Services (DGS) use to renegotiate this contract without competition?	Public Contract Code 6611(b) gave the DGS the right to renegotiate the contract.
How much does the State anticipate saving with this new contract?	With a reduction in prices of 18 percent to 19 percent from the original contract, there is an estimated savings of \$9 million through the remaining 18 months of the contract.
How will the savings on this contract be validated?	An independent auditor will be hired to verify the savings.
What is the contract duration and when is it up for renewal?	The contract had 18 months remaining at the time it was renegotiated. It will expire in July 2006.
Why did the State designate this contract as mandatory?	One of the foundations of Strategic Sourcing is to leverage buying power to reduce costs. A mandatory contract fosters that concept by providing an incentive for contractors to reduce costs in anticipation of increased sales.
Are there any exceptions to using this contract?	The use of this contract is mandatory except when purchasing from a California-certified small business, a California-certified Disabled Veteran Business Enterprise (DVBE), or in cases of emergency as defined in the Public Contract Code.
Can office equipment be purchased off this contract?	Yes. But purchases require justification, prior approval, and are limited to fax machines, telephones, projectors, and shredders.
Will a catalog be issued with the new pricing?	Yes. OfficeMax will provide a hardcopy to all requestors. There are two catalogs. The first catalog will contain approximately 2,200 core items separately priced. These core items have been identified as high usage items. The second catalog will contain all catalog items and will continue to offer a discount off list prices. The discount will vary among items.



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Could you describe the main differences between the old contract and the renegotiated contract?	<p>The following is a summary of the improvements:</p> <ol style="list-style-type: none"> <li>1. Estimated overall price reductions of 18 percent to 19 percent.</li> <li>2. Requirements for 25 percent small business/DVBE subcontractor participation.</li> <li>3. Improved service level agreements.</li> <li>4. An additional 1 percent reduction in pricing for orders placed online.</li> <li>5. Development of a core list of items most frequently purchased with reduced pricing for each core item.</li> <li>6. Significant discounts off list price for the remainder of the catalog items.</li> </ol>
Are there other opportunities for a small business/DVBE to provide office supplies to the State besides the exceptions?	The renegotiated contract requires that OfficeMax subcontract with a small business/DVBE for 25 percent of the spend based on historical data. These products will be clearly identified in the catalog so departments ordering them may report these dollars towards meeting their departmental goals. Additionally, OfficeMax is required to provide monthly reports to the DGS that delineate the percentage of small business/DVBE spend by department.
How can a small business/DVBE become a subcontractor on the new Office Supplies Contract?	They should contact OfficeMax directly. The State also has provided a list of California-certified small business/DVBEs to OfficeMax to facilitate the subcontracting process
Can other vendors be used for office supplies?	The use of this contract is mandatory except when purchasing from a California-certified small business, a California-certified Disabled Veteran Business Enterprise (DVBE), or in cases of emergency as defined in the Public Contract Code. (See FAQ #7.)
How do I set up a new account with OfficeMax?	Assigned representatives will work with agencies to understand ordering methods, delivery requirements, and bill requirements. Contact: Vanessa Moore at OfficeMax (800) 310-8008 x5306.
Who do I contact if I have more questions?	<p>You can find out more information in the following ways:</p> <ol style="list-style-type: none"> <li>1. Visit <a href="http://www.OfficeMaxSolutions.com">www.OfficeMaxSolutions.com</a></li> <li>2. Visit the CSSI Web site: <a href="http://www.pd.dgs.ca.gov/stratsourcing">www.pd.dgs.ca.gov/stratsourcing</a></li> <li>3. Call the CSSI Information Line: (866) 885-8344 (toll free)</li> <li>4. Contact the Office Supplies Contract Manager: Hiroko Kurosawa at <a href="mailto:Hiroko.Kurosawa@dgs.ca.gov">Hiroko.Kurosawa@dgs.ca.gov</a> or (916) 375-4382</li> <li>5. Contact Purchasing Authority (Delegation) at: <a href="mailto:pam@dgs.ca.gov">mailto:pam@dgs.ca.gov</a></li> </ol>



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Do I need authority to purchase off this contract?	Yes. Prior to placing orders against this contract, State departments must have been granted purchasing authority by the DGS Procurement Division for the use of the State's contracts. The department's current purchasing authority number must be entered in the appropriate location on each purchase document. Departments that have not been granted purchasing authority by the DGS Procurement Division for the use of the State's contracts, may access the Purchasing Authority Application at <a href="http://www.pd.dgs.ca.gov/deleg/pamanual.htm">http://www.pd.dgs.ca.gov/deleg/pamanual.htm</a> (see Chapters 1 and 13) or may contact the DGS Procurement Division's Purchasing Authority Management Section by e-mail at <a href="mailto:pams@dgs.ca.gov">pams@dgs.ca.gov</a> .